

Merely relocating in a similar building on another site may not be feasible for many small businesses because of the importance of their neighborhood trade. To help owners of such businesses make a satisfactory adjustment requires heavy emphasis on advice, counselling, perhaps special assistance in financing a new operation, and, if the owner does not wish to stay in business, other types of assistance to help him earn a living in some other occupation. Thus, governmental assumption of responsibility for helping to relocate displaced businesses and helping owners adjust to forced change should go beyond mere moving of a business establishment.

Beyond advisory assistance, positive measures to aid displaced people and businesses can be taken under other public programs. An important part of the advisory service, in fact, is to make people aware of other programs that can help them. And a parallel effort is necessary to review relevant programs and make appropriate modifications to that they can provide necessary help. For example, the Commission has recommended extending authorizations for Small Business Administration "disaster loans" to make them available to small business concerns adversely affected by property takings to all levels of government. Currently such loans are authorized only for firms affected by Federal and federally aided programs. Further, they are now available only for firms whose property is actually taken; clearance projects, however, may remove a store's patronage without actually displacing the business.

In the case of displaced families and individuals, the greatest need is to expand the supply of low-cost housing in sound condition. Here the programs that exist generally require the active participation of local governments—to sponsor public housing or to help nonprofit groups to build middle-income housing by making necessary zoning changes, for example. In addition to Federal housing programs, about 15 States provide financing for low-rent housing or housing for veterans or the elderly. The need here is to encourage more widespread local use of programs that already exist and to stimulate additional State programs where they are needed. A useful first step would be to require in Federal legislation that State and local governments administering Federal grant-in-aid programs assure the availability of an adequate supply of standard housing at reasonable cost before proceeding with any property acquisition that displaces people. Similar provisions are now embodied in Federal urban renewal legislation. A complementary measure at the State level would take the form of legislation requiring State and local agencies to assure the availability of suitable and sufficient relocation housing before proceeding with property acquisition that displaces people.

INTERGOVERNMENTAL COMPETITION AND METROPOLITAN HOUSING

In metropolitan areas the housing market is areawide, subject to the limits of convenient traveltime to jobs and shopping and to individual neighborhood or community preferences. The most effective